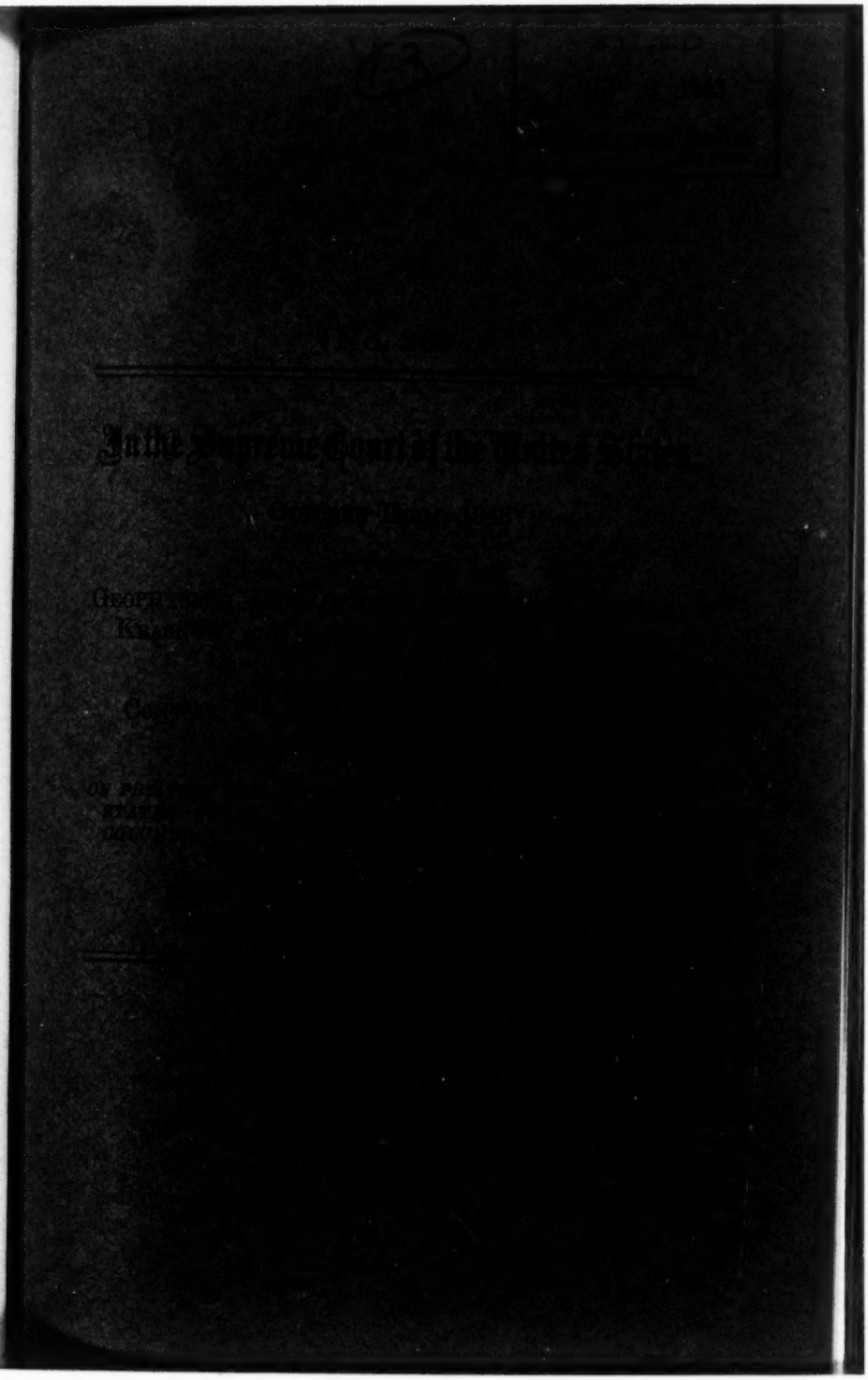

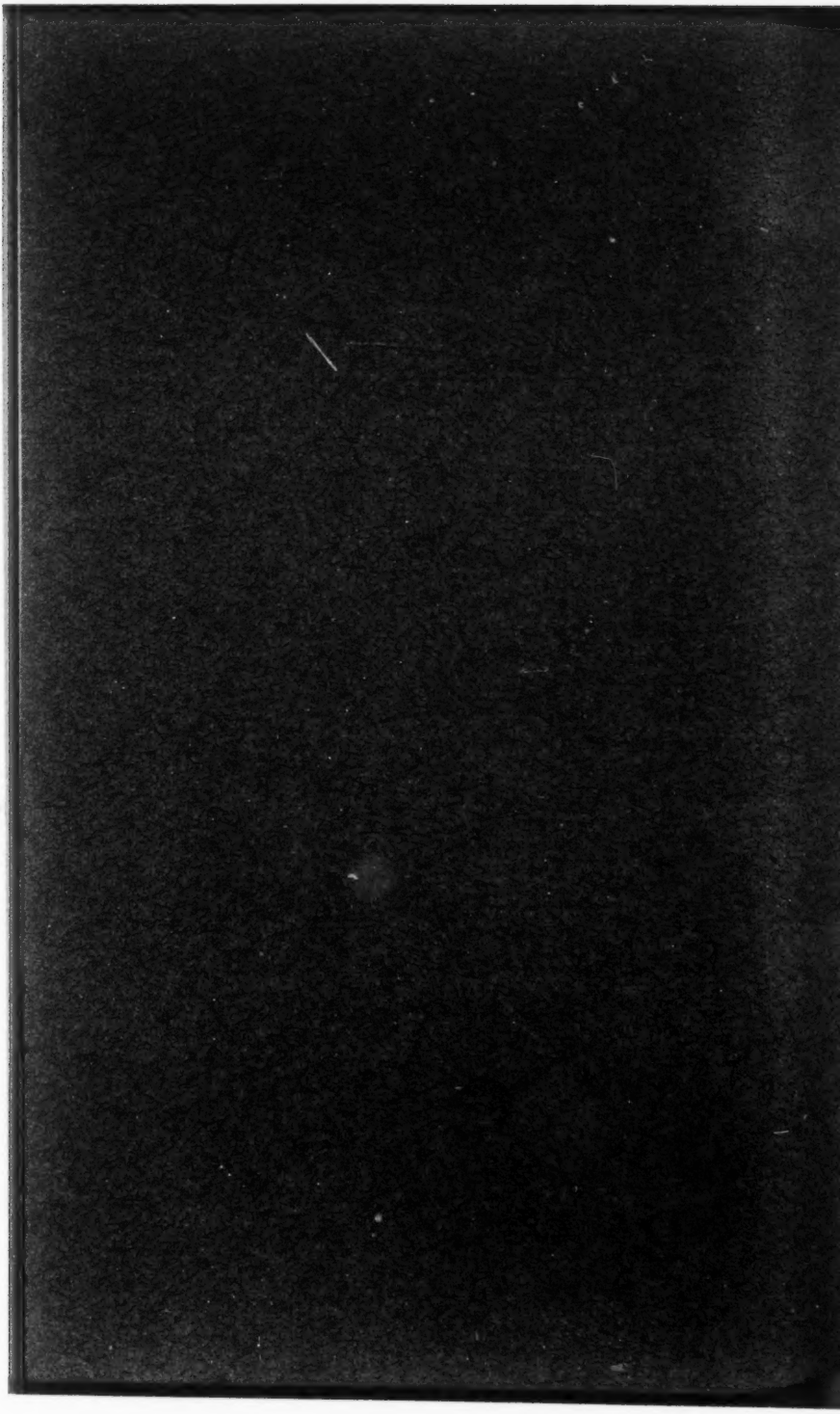

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In the Supreme Court of the United States

OCTOBER TERM, 1943

No. 269

GEOPHYSICAL DEVELOPMENT CORPORATION, SHELLEY KRASNOW AND LEON F. CURTISS, PETITIONERS,

v.

CONWAY P. COE, COMMISSIONER OF PATENTS

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

BRIEF FOR RESPONDENT IN OPPOSITION

OPINIONS BELOW

The order of the District Court of the United States for the District of Columbia dismissing the original complaint (R. 33) and its order and opinion dismissing the amended complaint (R. 37–38) are not yet officially reported. The opinion of the United States Court of Appeals for the District of Columbia (R. 40–42) is not yet officially reported, but may be found in 58 U. S. P. Q. 50.

JURISDICTION

The judgment of the United States Court of Appeals for the District of Columbia was entered June 7, 1943 (R. 43). The petition for writ of certiorari was filed August 17, 1943. The jurisdiction of this Court is invoked under Section 240 (a) of the Judicial Code, as amended.

QUESTION PRESENTED

Whether in an interference proceeding instituted pursuant to Rev. Stat. § 4904 (35 U. S. C. § 52) the Commissioner of Patents can be required by mandatory injunction to permit a party to adduce evidence not already in the records of the Patent Office, in support of a preliminary motion under Patent Office Rule 122 to dissolve the interference as to one of the parties thereto on an issue not related to priority.

STATUTES INVOLVED

The applicable provisions of Sections 481, 483 and 4904 of the Revised Statutes (35 U. S. C. §§ 6, 52) are set forth in the Appendix, pp. 13–14, *infra.*

STATEMENT

The pertinent facts, about which there is no dispute, are as follows.[1] Petitioners Krasnow & Cur-

[1] These facts were alleged by petitioners in their amended complaint in the District Court of the United States for the District of Columbia (R. 1–15), which defendant moved to dismiss (R. 37).

tiss[2] filed an application in the United States Patent Office for a patent on a device for measuring radio activity. This application was placed in interference proceedings in the Patent Office with the then pending application of one Neufeld, to which interference subsequently was added the later application of one Howell. (R. 1–5.) While the interference proceedings were pending, a patentee, Bender, applied under Rev. Stat. § 4916; 35 U. S. C. § 64 (App. p. 14, *infra*) for the reissue of his patent and included therein claims which were the same as those involved in the interference proceeding, alleging that these had been omitted from his original application as a result of inadvertence, accident, or mistake (R. 7–9). The Patent Office then added the Bender reissue application to the interference and at the same time declared another interference proceeding covering two of the eight counts in question, between the applications of Krasnow & Curtiss, Neufeld, and Bender (R. 10–11).[3] Thereupon petitioners moved in the Patent Office to dissolve the interferences as to Bender, alleging that Bender was not entitled to

[2] Petitioner Geophysical Development Corporation is the assignee of Krasnow and Curtiss, and first appeared in the proceedings in the District Court.

[3] An earlier motion by Krasnow & Curtiss to dissolve the first interference proceedings as to Howell was granted by the Patent Office as to counts 4 and 5 (R. 6–7), which were therefore stricken from the original interference and included in the separate interference proceeding to which all but Howell were parties (R. 10–11).

a reissue patent for the reasons that his failure to include in his earlier application the claims involved in the interference was not due to inadvertence, accident, or mistake, that there was inexcusable delay in filing the reissue application, and that Bender had deliberately cancelled from his earlier application the claims now in interference, thereby forfeiting his right to them. Petitioners simultaneously moved for leave to file interrogatories to be answered by Neufeld, Bender and their assignees, and for leave to present testimony in support of their motion. (R. 14, 16–31.) The Assistant Commissioner of Patents ordered that the motion to dissolve as to Bender be set for hearing, but denied the motion for interrogatories and testimony, ordering that the motion to dissolve be considered on the record in the Patent Office, in accordance with its long-established practice (R. 14–15, 32–33).

Thereupon, before the hearing could be held, petitioners sought a mandatory injunction in the District Court, to compel the Commissioner of Patents to permit the filing of interrogatories and the taking of testimony in support of the motion to dissolve (R. 15). The District Court granted the Commissioner's motion to dismiss petitioners' amended complaint (R. 33, 37, 38). The Court of Appeals in a *per curiam* opinion (R. 40–42) affirmed the dismissal (R. 43), on the grounds that the procedure prescribed for disposing of such

preliminary matters in interference proceedings was within the discretion of the Commissioner and "the action of the Commissioner * * * in following the long established practice and refusing to examine this question except on the records in his own office was * * * neither arbitrary nor unreasonable" (R. 42).

ARGUMENT

The statutory provision under which the present interferences were declared by the Commissioner of Patents authorizes him to "direct the primary examiner to proceed to determine the question of priority of invention" whenever a patent application, in his opinion, "would interfere with any pending application, or with any unexpired patent"; and a patent may be issued "to the party who is adjudged the prior inventor" (Rev. Stat. § 4904; 35 U. S. C. § 52).[4] As petitioners properly concede (Pet. 10), the sole *statutory* duty imposed upon the Patent Office in an interference proceeding is to determine prior-

[4] After the first interference here in question was declared on July 13, 1939, this section was amended by the Act of August 5, 1939 (53 Stat. 1212), to substitute a board of three examiners for the primary examiner. Under Section 5 of the amendatory act, the present interference proceedings will be governed by the statute as drawn prior to the amendment (the rearrangement of parties and issues in the second interference being "a mere matter of procedure," *New Departure Mfg. Co.* v. *Robinson*, 39 App. D. C. 504, 508); however, the substance of the statute so far as pertinent to the issue here presented was unchanged by the amendment.

ity of invention between the parties. *Allen* v. *United States ex rel. Lowry,* 26 App. D. C. 8, affirmed, 203 U. S. 476; *Ellis* v. *Maddox,* 90 F. (2d) 308 (C. C. P. A.).

Petitioners base their attack on the judgment below solely upon Rule 122 of the Rules of Practice in the United States Patent Office (37 Code Fed. Reg. § 1.122),[5] issued by the Commissioner under his discretionary authority to "establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent Office" (Rev. Stat. §§ 481, 483; 35 U. S. C. § 6). That Rule permits the filing of motions "in proper form" to dissolve an interference on certain grounds, including unpatentability of an applicant's claim or his want of right to make that claim.

1. Petitioners argue that having ordered a hearing on their motion to dissolve as to Bender, the Commissioner cannot validly refuse them the right to introduce supporting testimony (Pet. 13–14). But the hearing, which was ordered

[5] "122. Motions to dissolve an interference (a) alleging that there has been such informality in declaring the same as will preclude the proper determination of the question of priority of invention, or (b) denying the patentability of an applicant's claim, or (c) denying his right to make the claim, * * * should contain a full statement of the grounds relied upon * * *. Such motions and all motions of a similar character, if in the opinion of the examiner of interferences they be in proper form, will be heard and determined by the primary examiner, due notice of the day of hearing being given by the office to all parties. * * *"

under Rule 122, was specifically limited to the record in the Patent Office (R. 32), and the consistent practice of the Patent Office under that Rule since its promulgation several decades ago has been to dispose of such preliminary motions solely on the records of the Patent Office.[6] *McKenzie* v. *Gillespie,* 93 O. G. 2103, 1900 C. D. 188; *Barratt* v. *Swinglehurst,* 144 O. G. 818, 1909 C. D. 121; *Horton* v. *Leonard,* 155 O. G. 305, 1910 C. D. 81; *Dunn* v. *Douglass,* 184 O. G. 804, 1912 C. D. 360; *Schuler* v. *Barnes* v. *Swartwout,* 140 O. G. 509, 1909 C. D. 42; *Sullivan* v. *Thomson,* 94 O. G. 585, 1901 C. D. 21; *Latham* v. *Force,* 82 O. G. 185, 1898 C. D. 1; *Felbel* v. *Oliver,* 92 O. G. 2339, 1900 C. D. 150; *Winton* v. *Jeffery,* 112 O. G. 500, 1904 C. D. 386; *Percy* v. *Martin,* 328 O. G. 530, 1924 C. D. 94.

[6] If the grounds for the motion relate directly to the question of priority, they may of course be considered at the full hearing upon that question. This explains three of the five Patent Office cases erroneously cited by petitioners (Pet. 17–19) in support of their contention that motions for dissolution under Rule 122, for reasons such as here advanced, may be based upon affidavits or testimony. The motions in *Barney* v. *Hess,* 1910 C. D. 162, and *Lowry and Cowley* v. *Spoon,* 1906 C. D. 224, involved the operativeness of the opponent's disclosure: priority can obviously be awarded only at the earliest operative disclosure. The motion in *Kinsman* v. *Strohm,* 1906 C. D. 481, involved the abandonment of an application relied upon to establish a record date of invention; and the Commissioner theretofore properly held this question was "pertinent to the question of invention." The other two cases cited by petitioner are not in point.

This consistent interpretation of the rule by the agency which promulgated it and which is charged with its administration constitutes persuasive authority as to its proper meaning. *Brewster* v. *Gage,* 280 U. S. 327, 336; *Allen* v. *United States ex rel. Lowry,* 26 App. D. C. 8 affirmed, 203 U. S. 476. Indeed such practice becomes an integral part of the rule by virtue of the power of the agency "to interpret its own rules and any phrase contained in them." See *Norwegian Nitrogen Products Co.* v. *United States,* 288 U. S. 294, 325. The rule, read in the light of its long-established administrative application, is an exercise of a discretionary power vested by Congress in the Commissioner, and as such beyond judicial control by injunction or mandamus. *Svenson* v. *Coe,* 69 App. D. C. 359; *United States ex rel. American Gas-Accumulator Co.* v. *Coe,* 84 F. (2d) 398 (App. D. C.); *Armstrong* v. *Levy,* 29 F. (2d) 953 (App. D. C.); *cf. Federal Communications Commission* v. *Pottsville Broadcasting Co.,* 309 U. S. 134, 143. In the absence of any statute clearly imposing upon the Commissioner a duty to afford petitioners the type of hearing they seek, there is no ground for interference by mandatory injunction with the exercise of his discretionary and quasi-judicial powers to regulate and order the proceedings upon interferences. *Cf. Federal Communications Commission* v. *Pottsville Broadcasting Co.,* 309 U. S. 134, 143.

2. Petitioners contend that the refusal to receive testimony is arbitrary and unconstitutional because the question of Bender's right to the reissue cannot be considered upon judicial review of the determination of priority. *Ellis* v. *Maddox,* 96 F. (2d) 308 (C. C. P. A.); *Earles* v. *Gomber,* 273 Fed. 353 (App. D. C.). But the non-reviewability of that question results from the fact that it is introduced in the interference not because of any requirement of law, but solely for the convenience of the Patent Office proceedings. The parties to an interference have no right under the statute to be heard at all on any question but priority (*Marx* v. *Brown,* 57 App. D. C. 177; *Ellis* v. *Maddox,* 96 F. (2d) 308, 311 (C. C. P. A.)); the Commissioner could properly have refused to provide for consideration of any preliminary motions and required parties to proceed to an immediate determination of priority (*Allen* v. *United States ex rel. Lowry, supra*). To the limited extent to which the Commissioner has provided for preliminary motions by Rule 122, he has in effect granted a favor to interference parties not required by any rule of law, thus enabling them to eliminate an opponent at the outset, if possible upon the Patent Office record.

Indeed, petitioners will suffer no deprivation of legal rights if the Commissioner should ultimately refuse to dismiss Bender from the proceeding.

If petitioners establish that they are the first inventors, they will be entitled to a patent whether or not Bender remains in the case. If Bender's proofs establish his priority, however, petitioners will have no right to a patent, whether or not Bender's claim to a patent is barred for other reasons. *Marx* v. *Brown,* 57 App. D. C. 177.

3. Petitioner's request for injunctive relief is premature and without equity. Their motion has been set for hearing upon the record in the Patent Office, and may well be granted.[7] Moreover, even if their motion is denied, petitioners may prove on the main proceeding that they are entitled to priority over Bender. The possibility of an ultimate outcome favorable to petitioners renders premature their complaint that they have been injured by the limitation of the hearing to voluminous matter already of record, for the requirement that they go to hearing upon the merits of the interference does not constitute such irreparable injury as will sustain equitable relief. *Cf. Myers* v. *Bethlehem Shipbuilding Corp.,* 303 U. S. 41, 50–51.

Moreover, the result reached below is justified by weighing public interest against petitioners'

[7] The Patent Office record should enable at least one of petitioner's major contentions to be fully considered: whether Bender cancelled from his earlier application claims substantially the same as those in interference. See R. 20–22, 34.

interest in easing their burden of proving priority by exclusion of Bender from the interferences at the present stage of the proceeding. Assuming that the testimony which petitioners have been denied the right to adduce will be determinative of whether Bender remains a party to the interferences, exclusion of the testimony might lead to proof establishing Bender's priority. But if, as petitioners allege, he has lost his rights to a reissued patent, the unclaimed invention, already disclosed in Bender's original patent, would thereby be placed in the public domain. *Phelan* v. *Green,* 71 F. (2d) 298 (C. C. P. A.); *Bechtold* v. *Lanser,* 82 F. (2d) 415, 419 (C. C. P. A.); *cf. Te Pas* v. *Geldhof,* 112 F. (2d) 800 (C. C. P. A.). On the other hand, admission of the testimony and the consequent exclusion of Bender from the interferences might result in the issuance to petitioners of a patent actually invalid for anticipation by Bender, but which, until a judicial declaration of invalidity, would constitute a cloud on the right of the public to utilize an invention already in its domain.

CONCLUSION

The case was correctly decided below. No important or novel question of law is involved, and there is no conflict of decisions. We therefore

respectfully submit that the petition should be denied.

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SEPTEMBER 1943.